

OFFICE OF THE TOWN ADMINISTRATOR

MARTHA L. WHITE

Town Administrator
mwhite@caston.ma.us

136 ELM STREET EASTON, MASSACHUSETTS 02356

www.easton.ma.us PHONE: (508) 230-0510 FAX: (508) 230-0519

May 16, 2006

Ms. Mary L. Cottrell
Secretary
Commonwealth of Massachusetts
Department of Telecommunications
and Energy
One South Station – 2nd Floor
Boston, MA 02110

RE: D.T.E. 06-36

Ms. Cottrell:

I am writing on behalf of the Town of Easton to protest the petition filed by Bay State Gas Company, docketed as D.T.E. 06-36. This petition solely benefits Bay State Gas at the unnecessary expense of the customer. We have many questions regarding the legitimacy of this petition as it will make grandfathered customers indifferent to nongrandfathered customers. This will likely lead grandfathered accounts back to Bay State, resulting in further profits for the Company. Wasn't the whole purpose of deregulation to breakup monopolies so prices would more competitive for customers?

Bay State Gas seeks to add 30% of grandfathered customer loads into its forecasted requirements. How did they even come up with this number? Are they anticipating unauthorized overtakes from 30% of grandfathered customers? They are also seeking approval to monitor the "potential" for unauthorized overtakes for grandfathered customers, but how is an overtake from a grandfathered account any different than an overtake from a non-grandfathered account? This is pure discrimination. What has prompted the need for a change after all these years? Whenever Bay State needs additional gas supply or capacity, they go out into the market and buy it. This has never been a problem. Even when Enron went out of business, Bay State was still able to supply all customers.

If a grandfathered customer loses its gas supplier, they will likely find another supplier and not go back to Bay State Gas. Assigned capacity factors significantly hinder a customer's ability to contract with a marketer for gas supply and The Town of Easton

would only go back to Bay State as an extreme last resort. What percentage of the grandfathered customer base has gone back to Bay State because they could not find another supplier? Can't Bay State simply provide a list of existing suppliers to their grandfathered customers?

If granted, this petition will force customers to pay for additional gas supply they will never use. Bay State, on the other hand, will take the excess supply and sell it back to the marketplace at a premium, keeping 25% of the profits. This is extremely unjust.

There is absolutely NO MERIT to allowing Bay State Gas to add grandfathered customer loads to its forecasted requirements. We also feel Bay State tried to sneak this petition past their customers. We were only recently made aware that the intervention deadline had been extended to May 17th, but were never notified of the initial deadline. The petition suggests that Bay State expects 30% of grandfathered customers to lose their gas supply all at once. This is absurd and has never happened. The petition imposes an arbitrary penalty on grandfathered customers every day, while allowing Bay State Gas to profit. We strongly urge the D.T.E. to deny this petition.

Sincerely,

Martha L. White Town Administrator

CC: Cynthia Bradbury

Rebecca Hanson Andreas Thanos

Martha 2 White

George Yiankos

Julie Howley Westwater

John Cope-Flanagan

Patricia M. French, Esq.

Robert L. Dewees, Jr., Esq.